

funds, in lieu of retiring them by means of bonds; *Provided, however*, that the governing body, before the actual retirement of any such loan by any means other than the issuance of bonds under the bond ordinance upon which such loan is predicated, shall amend or repeal such ordinance so as to reduce the authorized amount of the bond issue by the amount of the loan to be so retired. Such an amendatory or repealing ordinance shall take effect upon its passage and need not be published.

2935. *Notes issued for temporary loans.* Negotiable notes shall be issued for all moneys borrowed under the last two sections. Such notes may be renewed from time to time and money may be borrowed upon notes from time to time for the payment of any indebtedness evidenced thereby, but all such notes shall mature within the time limited by said sections for the payment of the original loan. No money shall be borrowed under said sections at a rate of interest exceeding the maximum rate permitted by law. The said notes may be disposed of by public or private negotiations. The issuance of such notes shall be authorized by resolution of the governing body, which shall fix the actual or maximum face amount of the notes and the actual or maximum rate of interest to be paid upon the amount borrowed. The governing body may delegate to any officer the power to fix said face amount, and rate of interest within the limitations prescribed by said resolution, and the power to dispose of said notes. All such notes shall be executed in the manner provided in section two thousand nine hundred and fifty-four of this subchapter in relation to bonds. They shall be submitted to and approved by the attorney for the municipality before they are issued, and his written approval indorsed on the notes.

Proviso:  
Reduction of  
bond issue.

Notes for temporary loans.

Renewal of notes.

Maturity of notes.

Interest.

Negotiation of loans.

Authority for issuance.

Delegation of powers.

Execution of notes.

Submitted to attorney.

Written approval.

#### ARTICLE 26. PERMANENT FINANCING

2936. *Not applied to temporary loans.* The provisions of this article shall not apply to temporary loans made under article twenty-five, unless otherwise provided in said article.

2937. *For what purposes bonds may be issued.* A municipality may issue its negotiable bonds for any one or more of the following purposes:

1. For any purposes or purpose for which it may raise or appropriate money, except for current expenses.

2. To fund or refund a debt of the municipality incurred before February fifteenth, one thousand nine hundred and twenty-one, if such debt be payable at the time of the passage of the ordinance authorizing bonds to fund or refund such debt or mature within one year thereafter, or if such debt although payable more than one year thereafter is to be canceled prior to its maturity and simultaneously with the issuance of the bonds to fund or refund such

Permanent financing.

Temporary loans not affected.

For what purpose bonds may be issued.

For purposes other than current expenses.

Funding or refunding debt heretofore incurred.